



STATE OF ILLINOIS  
DEPARTMENT OF INSURANCE  
320 WEST WASHINGTON STREET  
SPRINGFIELD, ILLINOIS 62767-0001

ROD R. BLAGOJEVICH  
GOVERNOR

DEIRDRE K MANNA  
ACTING DIRECTOR

April 6, 2004

Luther A. Hanson  
3601 N Crede Dr  
Charleston, WV 25302

**Re: Request for License**

Dear Mr. Hanson:

This letter is in response to your request to obtain a license. The Department received your application on October 26, 2003. A copy of your validated application is enclosed with this letter. Section 500-30 of the Illinois Insurance Code (215 ILCS 5/500-30) requires, in part, "...before approving the application, the Director must find that the individual...has not committed any act that is a ground for denial, suspension, or revocation set forth in Section 500-70 of the Illinois Insurance Code (215 ILCS 5/500-70)."

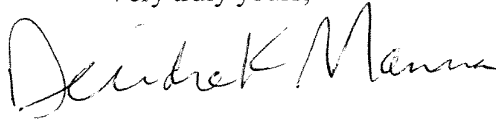
You answered, "Yes" to question #2 on Non-Resident Application, which states, "Have you or any business in which you are or were an owner, partner, officer, or director ever been involved in an administrative proceeding regarding any professional or occupational license?" On March 8, 2001, you were suspended by the NASD for 90 days, effective May 7, 2001, required to re-qualify as a general securities representative within six months, disgorge \$79,105.62 in commissions to customers no later than June 30, 2001, and pay hearing cost totaling \$1,634.75. This decision was based on you selling unauthorized promissory notes from US Capital Funding while registered as a securities representative with Royal Alliance and Medallion Equities and the failure to provide written notice to these companies of your private securities transactions. After you started selling the promissory notes from US Capital Funding, the company went bankrupt causing losses to your clients. On December 13, 2001, the Adjudicatory Council modified the NASD's Hearing Panel's decision from a 90-day suspension to a 6-month suspension, extended the time to disgorge commissions to 6 months from the date of this decision, and assessed hearing cost of \$1,634.75. The NASD Dispute Resolution has held you and Medallion Equities, Inc. jointly liable for \$1,171,539.00 due to the misconduct stated above. You also indicated that you have not paid any of the monies required by the above decisions, and therefore have never re-qualified as a general securities representative.

By the above actions, you have demonstrated incompetence, untrustworthiness, and financial irresponsibility in the conduct of business, which are grounds for denial pursuant to Section 500-70(a)(8) of the Illinois Insurance Code (215 ILCS 5/500-70(a)(8)).

Your request for a license is being denied based upon the information previously stated. If you wish a refund of your application fee, return the copy of the validated application with a letter asking for a refund to the Department to the attention of David Murphy, Licensing Supervisor.

You have the right to a formal hearing on this matter if your written request is filed with the Department within 30 days of the date of mailing of this correspondence.

Very truly yours,

A handwritten signature in black ink, reading "Deirdre K. Manna". The signature is fluid and cursive, with the first name "Deirdre" being more prominent and the last name "Manna" following in a similar style.

Deirdre K Manna  
Acting Director

DKM:jt510

Enclosure

Certified Mail  
Return Receipt Requested